

## Implementation of online single submission risk based approach (OSS-RBA) policy in business licensing

**Maya Damayanti\***, Institut Pemerintahan Dalam Negeri, Jatinangor, West Java, Indonesia

**Murtir Jeddawi**, Institut Pemerintahan Dalam Negeri, Jatinangor, West Java, Indonesia

**Romly Arsyad**, Institut Pemerintahan Dalam Negeri, Jatinangor, West Java, Indonesia

**Yana Sahyana**, Institut Pemerintahan Dalam Negeri, Jatinangor, West Java, Indonesia

\*Email for Correspondence: <sup>1</sup> mayathea01@gmail.com <sup>2</sup> murtirjeddawi@gmail.com <sup>3</sup> arsadromli@gmail.com

---

### ABSTRACT

---

**Keywords:**

policy implementation  
OSS-RBA  
local government

The aim of this research is to analyze the implementation of the OSS-RBA policy in risk-based business licensing in Cirebon City, West Java Province and to formulate the relationship between central, provincial, district/city government authority in implementing the OSS-RBA policy in risk-based business licensing in Cirebon City, West Java Province. This research uses the policy implementation theory developed by Grindle which consists of policy content and policy context. The research approach used in this research is a qualitative approach with a descriptive type of research. The data analysis technique used is by data reduction and conclusion withdrawal. The research results show that the implementation of the OSS-RBA policy in risk-based business licensing in Cirebon City is not optimal. The OSS-RBA service in risk-based business licensing in Cirebon City has not been communicated well to employees and the public so that there are still many process obstacles faced, from the aspect of policy content there are also too many derivative technical policies that regulate it, resulting in the OSS-RBA policy being ineffective. The OSS-RBA policy model in risk-based business licensing in Cirebon City, the key implication of Grindle's theory of policy implementation, is that there is an additional dimension of action. The implication of the theory developed by researchers is based on research results that to achieve service goals, the dimensions of Coordination, Communication and Commitment need to be added.

---

*This is an open access article under the [CC BY-SA](#) license.*

---

### INTRODUCTION

Licensing is one of the public services organized by the government in order to realize state goals (Brahmasari & Sukristyanto, 2023; Elisa, 2020; Jayanegara et al., 2023). Along with the increase in development in various sectors, the government's interference is increasingly intense and active in various people's lives (Box, 2014).

The ease of doing business reform has a good impact on Indonesia at the global level (Doshi et al., 2019; Hossain et al., 2018; Tan et al., 2018). From year to year, the ranking of ease of doing business increases. The Indonesian Investment Coordinating Board (BKPM) in 2018 stated that Indonesia's overall ranking was at 73 out of 190 countries assessed. In the "Doing Business 2020" report, the World Bank noted that Indonesia made improvements in five indicators, of which in 2020, the ease of doing business score was 67.96 and ranked 73. Despite the increase in ranking, Indonesia's position is still lagging behind neighboring countries as shown through the following table:

**Table 1.** Striving Facilities Level

No	Economy	Ease of doing business rank	Starting a business	Dealing with construction permits	Registering property	Enforcing contracts
1	Singapore	2	3	8	21	1
2	Malaysia	15	122	3	29	33
3	Thailand	27	39	67	66	35

4	China	46	28	121	27	6
5	Brunei Darussalam	55	16	55	124	67
6	Vietnam	69	104	21	60	62
7	Indonesia	73	134	112	100	146
8	Philippines	124	166	94	116	151

*Source: World Bank, 2020*

The table above shows that the level of ease of doing business in Indonesia is still far behind Singapore, Malaysia, Thailand and Vietnam. This problem is a task that must be solved by the government. Therefore, the President of the Republic of Indonesia targets that in 2021 Indonesia will be ranked 40<sup>th</sup> in the world in ease of doing business. This target can be achieved with changes including permit management, asset registration and contract implementation. Thus, the Government of Indonesia through BKPM and the Coordinating Minister for Economic Affairs strives to provide ease of doing business by simplifying licensing.

The facts show that the condition of licensing services is still faced with various problems, including: HR performance, inefficient regulation making, complicated mechanisms, high processing times and costs for obtaining permits, many requirements, facilities and services that are not responsive and not supportive, have not integrated permits, and have not used information technology.

Changes made by the government through regulations governing business licensing are contained in Government Regulation Number 5 of 2021. This regulation is a derivative of Law Number 11 of 2020 concerning Job Creation or better known as the Job Creation Law. The implementation of this regulation is the transformation of licensing electronically using the Online Single Submission Risk Based Approach (OSS RBA) system.

This new paradigm sets risk as the main consideration for every business activity so that it has implications for changes in the design of current policies, institutions, and business service platforms, both in the Central and Regional Governments. This structural reform certainly aims to provide ease and certainty of doing business directed at increasing regional competitiveness, especially in the Investment Office and One-Stop Integrated Services. The implementation of risk-based licensing is regulated in Government Regulation No. 5 of 2021 concerning the Implementation of Risk-Based Business Licensing. As for the business scale rating of business activities, business activities are classified into business activities with a low risk level, business activities with a medium risk level and business activities with a high risk level.

At the regional implementation level, the implementation of risk-based licensing paradigima depends on regional readiness and follow-up responses, especially on policies, institutions (organizations and human resources), and digital service instruments (infrastructure and internet networks). These three components are the main variables to see the picture of regional readiness in carrying out business licensing regulations. Moreover, the description of facts on these three elements shows the challenges and needs of the Regions to implement the Job Creation Law and its derivative regulations, especially the use of Online Single Submission Risk Based Approach (OSS RBA) in business licensing services.

The aim of this research is to analyze the implementation of the OSS-RBA policy in risk-based business licensing in Cirebon City, West Java Province and to formulate the relationship between central, provincial, district/city government authority in implementing the OSS-RBA policy in risk-based business licensing in Cirebon City, West Java Province. The research is expected to give more knowledge regarding the topic discussed.

## METHOD

This research uses a qualitative approach. This research uses the policy implementation theory developed by Grindle (2017) which consists of policy content and policy context. The research approach used in this research is a qualitative approach with a descriptive type of research. The data analysis technique used is by data reduction and conclusion withdrawal (Miles et al., 2014). The events observed were the implementation of licensing services in Cirebon City, West Java Province. While process is the process of licensing services.

## RESULTS AND DISCUSSION

### Implementation of OSS-RBA Policy in Risk-Based Business Licensing in Cirebon City, West Java Province

#### *OSS-RBA Policy Content in Risk-Based Business Licensing in Cirebon City, West Java Province*

- 1) Interests affected by the Policy: The presence of OSS-RBA services in risk-based business licensing in Cirebon City is expected to increase public satisfaction and trust in the government in terms of the business licensing process carried out by the local government. OSS-RBA services in risk-based business licensing in Cirebon City are interpreted in West Java provincial policy as integrated services

in a unified process initiated from the application stage to the completion stage of OSS-RBA service products in risk-based business licensing in Cirebon City. This interpretation has the aim of providing legal protection and certainty to the community, shortening service time, realizing a service process that is fast, easy, cheap, transparent, certain and affordable.

The problem of policy content that will affect interests will not be fulfilled when the substance of the policy made is not able to mandate concrete and clear substance so that there will no longer be different interpretations in the process of implementing the policy (Sulila, 2015). Moreover, in service, the element of certainty is an important part in realizing excellent, accountable and measurable service. Bureaucratic reform in the context of licensing services suggests that clean and responsible public services are a must (Arfan et al., 2021; Common et al., 2016; Giroth et al., 2022). There are still many "permit broker" activities indirectly become an obstacle in carrying out the concept of good governance. This is expected to be an illustration for the improvement of licensing services in the City of Cirebon, various problems arise in the implementation of licensing services. The efforts that can be made in the context of improving and improving licensing services in Cirebon City are divided based on several sets of priority choices.

- 2) Benefit Type: In this case, the content of policy seeks to show or explain that in a policy there must be several types of benefits that show the positive impact generated by the implementation of OSS-RBA policies in risk-based business licensing. Activities for the implementation of a business license that receives delegation or delegation of authority from institutions or agencies that have business licensing authority whose management process starts from the application stage to the stage of issuing documents carried out in one place.

Through OSS-RBA services in risk-based business licensing, centralized services throughout the service in one place make public access to carry out the licensing process faster, easier and freer (Firdaus et al., 2023; Kristantiya et al., 2023; Lontoh et al., 2023). The important point of the presence of integrated services is to simplify the implementation of business licensing services. Support for licensing services in development is very important to encourage the improvement of the investment ecosystem for a region and country to encourage accelerated economic growth.

- 3) Desired degree of change: The degree of change envisioned; how much change is to be achieved through a policy implementation must have a clear scale. Any policy prepared by the government that has objectives to be achieved with the desired changes with clear scale standards. A policy is expected to be a trigger for changes in actors, both policy objective actors and policy implementation actors (Haelg et al., 2020; Tödting et al., 2022). One of the targets of change in the Implementation of One-Stop Integrated Services (PPTSP) is the implementation of licensing and non-licensing services, whose management process starts from the application stage to the document permit issuance stage, carried out in an integrated manner in one place.

The expected change target is by providing excellent service, a change that is seen through various policies that are centered on one-stop integrated services. For Performance Indicators of Community Satisfaction Index (IKM) for Licensing and Non-Licensing Services. In 2022, the realization of the IKM value of DPMTSP Cirebon City is 82.75 from the target of 82.70 with a performance achievement of 100.06%.

The form of OSS-RBA services in risk-based business licensing is in the form of offices, agencies, or agencies. In its implementation, the regent / mayor is required to simplify services including: 1. services for licensing applications are carried out by the One-Stop Integrated Service Implementation (PPTSP); 2. the acceleration of the service completion process time does not exceed the time standard stipulated in regional regulations; 3. certainty of service costs not exceeding the provisions stipulated in regional regulations; 4. Clarity of service procedures can be traced and known at each stage of the licensing and non-licensing process in accordance with the sequence of procedures; 5. reduce the completeness file of the same permit application for two or more permit applications; 6. exemption of licensing fees for Micro, Small and Medium Enterprises (MSMEs) who want to start a new business in accordance with applicable regulations; and granting the public the right to obtain information in relation to the provision of services.

- 4) Position of Decision Making: The position of the policy maker (site of decision making), determines the location of the policy prepared. Decision making in a policy plays an important role in implementation, so it must be explained where the decision makers of a policy to be implemented are. The authority of local governments in the field of licensing has been regulated in the provisions of Law Number 23 of 2014 concerning Regional Government, and Government Regulation Number 38 of 2007 concerning the Division of Government, Province, Regency/City Affairs as an integral part of regional autonomy affairs. With the birth of Law 23 of 2014 concerning regional government, as amended several times, and most recently by Law Number 9 of 2015 concerning the Second

Amendment to Law Number 23 of 2014 concerning Regional Government leads to the efficiency of government affairs. With the birth of Law 23 of 2014 concerning Regional Government, it has an impact on the division of authority of every matter and sub-affairs in the implementation of government activities.

In general, obstacles, problems and licensing conditions that occur in Indonesia include: 1. There is no standard, integrative and comprehensive licensing system, so that in carrying out licensing management is often faced with unclear procedures. 2. There are many various agencies that issue permits, so that in carrying out licensing arrangements will be faced with complicated procedures and in the end it will take a long time. 3. Spread of licensing arrangements in various laws and regulations. Economic law provisions, if they are too numerous, incomplete and clear, will create a long and unfair bureaucratic path, as a result of which these legal provisions are ineffective and adequate and can even create obstacles and distortions for economic development. The arrangement of procedural questions in laws and regulations in the field of licensing is very important so that it does not become an inhibiting factor for entrepreneurs.

- 5) Program Implementer: Program implementor; in carrying out a policy must be supported by a competent and capable policy implementer for the success of the policy. The implementation of the OSS-RBA policy implementation in risk-based business licensing in Cirebon City applies a pattern of services that are carried out in one place with interests influenced by various program implementers from various agencies, both Local Government Agencies and Central Government Agencies.

OSS-RBA services are the responsibility of the government and are carried out by government agencies, be it at the center, in the regions. Public service to the community is one of the important duties or functions of the government in carrying out its government duties, as stated in Law No. 25 of 2009 concerning public services, "The essence of service is the provision of excellent service to the community which is a manifestation of the obligation of government officials as public servants".

- 6) Allocated Resources: Resources ideally allocated in the implementation of OSS-RBA services have high complexity, this is indicated by there are 3 major components Resources that support the implementation of policies consisting of: Human Resources related to implementing actors and actors who are the target of OSS-RBA service policy implementation, Artificial resources related to the actualization of concepts and ideas that developed to support the implementation of OSS-RBA policies for example: development of information systems and Natural Resources related to the axis of implementation of OSS-RBA services related to the substance of licensing.

The quality of human resources from the aspect of education should be good to carry out OSS-RBA services, because most of them have undergraduate education, what needs to be considered is the suitability of education with the field of tasks carried out at the PMPTSP Office. The ability to provide services is related to technical competence as an employee in a position at the PMPTSP Office.

#### ***OSS-RBA Policy Context in Risk-Based Business Licensing in Cirebon City***

- 1) Power: In the process of implementing OSS-RBA services, policymakers are urged to make many choices about certain allocations to public resources and other matters that influence a decision. The fact that there is a lot of bureaucratic behavior that has a mindset that prioritizes procedures in exercising control compared to the function of the essence of the service itself which is still an old inherited mindset that always associates service with the power approach. This is in contrast to Grindle's view that policy implementation will be very difficult to do with decision making that involves many people.

The importance of authority in the process of issuing a business license is closely related to the social, environmental and cultural aspects arising from a business activity. The need for strategy development to improve the overall licensing and non-licensing service system depends on a mindset based on bureaucratic entrepreneurship. The meaning of interests in the licensing process should position the fulfillment of the basic needs of the community in accordance with applicable policies and underlie decision making. Responding to legal problems that occur in the Meikarta Area development licensing process, actually the focus of legal problems occurs in the formulation of spatial plan policies and regional plans that will deliberately be designed to support the development of Meikarta which should pay attention to the carrying capacity of the area and regional designation in supporting community activities.

- 2) Interests: The implementation of the OSS-RBA policy, making the scope of involvement from various parties will make services more effective, this is in line with the purpose of OSS-RBA services which are carried out singly through the delegation of authority from the relevant technical agencies to agencies that receive authority to carry out business licensing services.

The delegation of authority carried out by the Mayor is a form of strategy to adjust the conditions of community development. Service delivery officers at the PMPTSP Office must address the issue of how to achieve compliance with the objectives stated in the policy. They must, for example, have the support of the Government Leadership, and the compliance of the implementing agency, the bureaucrat in charge of implementing the program, the low-level Regional Head, and the intended beneficiary in this case is a one-stop integrated service.

- 3) Strategy of Actors Involved: Resources traded for compliance must not jeopardize the impact or focus of a particular program. Often, however, this is what happens. The flip side of the problem of achieving policy and program objectives in a given environment is responsiveness. Ideally, public institutions such as bureaucracies should be responsive to the needs of those intended to benefit in order to serve them most adequately. In addition, without a large enough number of responses during implementation, public officials are deprived of information to evaluate the program's achievements and support critical to its success.

The total realization of PMA and PMDN investments in West Java Province in 2022 that have been realized by investors in 27 (twenty-seven) regencies/cities is Rp. 174,580,000,000,000 with a total employment of 242,151 people, and a total of 39,729 projects. However, the increase in FDI investment in West Java was not followed by an increase in employment. Employment in 2022 reached 70,709 people or decreased. 68,212 people from 2021. Meanwhile, the number of projects increased by 742 projects from 7,151 projects in 2021 to 7,893 projects in 2022.

### OSS-RBA Policy Implementation Model in Risk-Based Business Licensing in Cirebon City

The policy implementation model according to Grindle (2017) is determined by the content of the policy and the context of its implementation. The basic idea is that once the policy is transformed, then the implementation of the policy is carried out. Its success is determined by the degree of implementability of the policy. The ability to understand the content and context of policies requires the specific ability mentioned above as implementability. The model has a uniqueness that lies in Grindle's explanation of his understanding which must be comprehensive of the content of policies, especially those related to the role of implementors, implementation targets and policy implementation situations that may occur between implementation actors, as well as conditions that may occur or are needed in implementing policies.

Policy model development consists of various concepts. However, the development of the OSS-RBA Policy Implementation Model is based on the concept of the Mechanism Model, as stated by Nograho "The forced mechanism model is a model that emphasizes the importance of public institutions as a single institution that has a monopoly on coercive mechanisms in countries that do not have incentive mechanisms for those who implement or run, but there are sanctions for those who refuse to implement or violate them". Mathematically this model can be referred to as the "Zero Minus Model", which is described as follows.

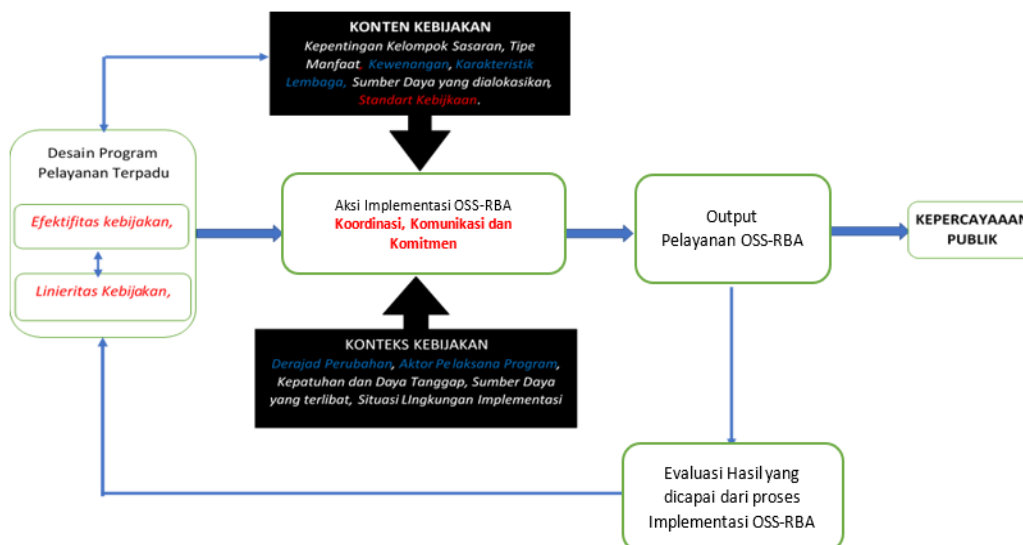


Figure 1. OSS-RBA Policy Implementation Model  
Source: Processed Research Results, 2023

The OSS-RBA policy implementation model as illustrated above, modifies the model developed by Grindle by adjusting to field findings and conceptual development of the concept of policy implementation in the field of public services. The development of the model also rests on Nakamura and Smallwood's view that links policy formation to practical policy implementation. Public service as a study becomes a huge magnet for policy practitioners, which actually brings policy scientists and policy practitioners closer. Mapping policy implementation models into two types of sorting. The first sorting is the implementation of policies patterned "from top to bottom" (top-downer) and the sorting of implementation patterns that are forced (enforced mechanism; command-and-control) with this approach, coordination is needed as a form of involvement of relevant parties to overcome government arbitrariness in the implementation of public service policies which will be explained in the next sub-chapter.

Today there is a demand for the government to provide public services that are community-oriented and responsive to the needs of the community. This has led to thinking about the need for a new organizational model to provide public services based on the customer's point of view either as a society or among the business world. In today's economic situation, according to the increasing need for a comprehensive service system. Likened to a supermarket that provides various goods needed by the community, as well as demands on public services provided by the government. The community or business world today expects to be met the needs of services, especially administrative services from the government in one location.

Managing public service models such as OSS-RBA or translated into risk-based business services there are several aspects that need to be considered, namely aspects of coordination between government institutions providing services, legal aspects, technology, human resources and budgeting. In other words, the development of a customer-oriented public service model must pay attention to institutional capacity and authority, service systems and ethics, physical service infrastructure, and human resource capacity and provide incentives.

In the form of public service reform, especially for administrative services, the government developed new institutional models such as the OSS-RBA service mode. With these policies, it can be seen that there are government efforts to reform public services, especially those related to the type of licensing services. This public service reform not only reflects a paradigm shift in public administration towards New Public Management, it is also a real-world need and demand, especially in the economic field.

## CONCLUSION

The implementation of OSS-RBA policy in risk-based business licensing in Cirebon City, Province has not been optimal. This can be seen from the following factual dimensions: 1) Simplification of policy content that occurs will make policies less effective in regulating interests, especially public services expected by the public, this is because the policy content that is sounded in general will cause a variety of interpretations that make different interests collide with each other. 2) Types of benefits that will result from OSS-RBA policies in licensing Risk-based efforts in Cirebon City, West Java Province, which are provided still do not cover all types of services provided by Cirebon City. 3) Without an authority capable of handling all these affairs, government agencies cannot arrange various arrangements during the process. Therefore, in this case the agency cannot provide all forms of licensing required at various levels of administration, so it must rely on other authorities. 4) Licensing problems there are also various other problems such as inadequate facilities and infrastructure that support licensing services so that the organization's target to realize a public service center in Cirebon City is hampered. 4) With the use of OSS in public services in an integrated manner nationally, some licensing authorities will become part of the central authority which will have its own challenges because the handling is directly on the central government and local governments only as facilitators.

The OSS-RBA policy model in risk-based business licensing in Cirebon City Province, the key to the implications of Grindle's policy implementation theory is that there is an additional dimension of action. The implications of the theory developed by researchers based on the results of research that to achieve service goals, it is necessary to add dimensions of Coordination, Communication and Commitment.

## REFERENCES

- Arfan, S., Mayarni, M., & Nasution, M. S. (2021). Responsivity of Public Services in Indonesia during the Covid-19 Pandemic. *Budapest International Research and Critics Institute (BIRCI-Journal): Humanities and Social Sciences*, 4(1). <https://doi.org/10.33258/birci.v4i1.1638>
- Box, R. C. (2014). Running government like a business: Implications for public administration theory and practice. In *Public Administration and Society* (pp. 251–269). Routledge.
- Brahmasari, I. A., & Sukristyanto, A. (2023). REFORM OF PUBLIK SERVICE BUREAUCRACY LICENSING IN THE ADMINISTRATION OF LOCAL GOVERNMENTS IN REALIZING GOOD GOVERNANCE. *DIA: Jurnal Administrasi Publik*, 21(02), 393–413.
- Common, R., Flynn, N., & Mellon, E. (2016). *Managing public services: Competition and decentralization*. Elsevier.

- Doshi, R., Kelley, J. G., & Simmons, B. A. (2019). The Power of Ranking: The Ease of Doing Business Indicator and Global Regulatory Behavior. *International Organization*, 73(3). <https://doi.org/10.1017/S0020818319000158>
- Elisa, N. (2020). Public Service Satisfaction Licensing in Deli Serdang Regency. *Konfrontasi: Jurnal Kultural, Ekonomi Dan Perubahan Sosial*, 7(4). <https://doi.org/10.33258/konfrontasi2.v7i4.128>
- Firdaus, G. A., Sukowati, P., & Adi, D. S. (2023). Licensing of MSME Business through Online Single Submission Risk based Approach. *Cross Current International Journal of Economics, Management and Media Studies*, 5(02). <https://doi.org/10.36344/ccijemms.2023.v05i02.001>
- Giroth, N. K., Mandagi, M., & Bogar, W. (2022). Public Service Performance of Civil Servants (PNS) at South Tondano District Office in Minahasa Regency. *Journal of Social Science*, 3(1). <https://doi.org/10.46799/jss.v3i1.286>
- Grindle, M. S. (2017). *Politics and policy implementation in the Third World* (Vol. 4880). Princeton University Press.
- Haelg, L., Sewerin, S., & Schmidt, T. S. (2020). The role of actors in the policy design process: introducing design coalitions to explain policy output. *Policy Sciences*, 53(2). <https://doi.org/10.1007/s11077-019-09365-z>
- Hossain, M. T., Hassan, Z., Shafiq, S., & Basit, A. (2018). Ease of Doing Business and Its Impact on Inward FDI. *Indonesian Journal of Management and Business Economics*, 1(1). <https://doi.org/10.32455/ijmbe.v1i1.52>
- Jayanegara, B. A. U., Suryadi, S., & Anwar, A. (2023). Implementation of the New Public Service in the Licensing Process. *Journal of Social and Political Sciences*, 6(2). <https://doi.org/10.31014/aior.1991.06.02.410>
- Kristantiya, T. A., Sudarmo, S., & Sudiby, D. P. (2023). Online System Adaptation Single Submission Risk Based Approach (OSS-RBA). *International Journal of Multidisciplinary: Applied Business and Education Research*, 4(8). <https://doi.org/10.11594/ijmaber.04.08.09>
- Lontoh, M., Pangkey, I., & Dilapanga, A. R. (2023). Implementation Of OSS-RBA Licensing at the Department of Capital Investment and One-Door Integrated Services, North Minahasa District. *International Journal of Information Technology and Education*, 3(1), 127–139.
- Miles, M. B., Huberman, A. M., & Saldaña, J. (2014). *Qualitative analysis: A methods sourcebook*. SAGE Publications, Inc.
- Sulila, I. (2015). *Implementasi dimensi layanan publik dalam konteks otonomi daerah*. Deepublish.
- Tan, K. G., Amri, M., & Merdikawati, N. (2018). A new index to measure ease of doing business at the sub-national level: Empirical findings from Indonesia. *Cross Cultural and Strategic Management*, 25(3). <https://doi.org/10.1108/CCSM-01-2017-0009>
- Tödting, F., Tripl, M., & Desch, V. (2022). New directions for RIS studies and policies in the face of grand societal challenges. *European Planning Studies*, 30(11). <https://doi.org/10.1080/09654313.2021.1951177>